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The Inter-American Press Association Wednesday decided to consider suing the Washington Post for libel for reporting the press watchdog body received \$50,000 from the U.S. government.

The IAPA board decided to first demand a full apology from the Post, which published the information in a syndicated column March 3, and to amend its charter to tighten up regulations against receiving money from governments.

John McMullen of the Miami Herald volunteered the services of his newspaper's counsel to study whether the Post publication was actionable and whether monetary damages could be recovered, a proposal that was accepted.

"Damage has been done and it can be proven," McMullen said, referring to the tarnished image of the IAPA in the rest of the hemisphere because of the erroneous column.

"If the Post treated this matter so cavalierly, we ought to make them pay for it," McMullen said.

The Post column was based on an internal report of the U.S. Information Service leaked to a congressional committee which recommended a so-called "Project Democracy" to strengthen democratic organizations in the Americas with U.S. money.

Both the USIS and the IAPA say the internal report was ^Snot official and none of the \$50,000 was paid or received.

David Kraslow, of the Miami News, the IAPA's vice president for the United States, presented a report on the incident.

Kraslow also said it appears from the leaked report that the Central Intelligence Agency was also involved in the discussions on "Project Democracy," and that because of the CIA connection, "We are just beginning to scratch the surface as to the amount of damage that has been done."

The resolution of the board of directors adopted Wednesday charged the IAPA's executive committee with drawing up a proposal for an amendment to the IAPA charter to tighten up regulations against receiving money from any government.

The charter amendment will be discussed at an October IAPA meeting in Lima, Peru.